

Note to SSG Members:

Attached are the final drafts of the NAPA Action Plan and the NAPA Recommendation responses for consideration at the 28 June CPCC meeting. These documents incorporate comments and new language suggested by SSG members and by our general counsel rep, [redacted]. The Action Plan differs from the last draft you saw in the following ways:

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- 1) We have taken out specific reference to Title 5 exemption in the "Legislative Impact" section and have indicated instead that authorizing legislation will be needed (it is not enough to be exempt from something we also need authorities to do something).
- 2) In the "Legislative Impact" section, we have made a distinction between keeping the Committees informed as a matter of policy and notifying the Committees as a requirement of law.
- 3) The language concerning the Labor Relations initiative (#2, p.8) was changed slightly to seek a new Executive Order excluding CIPMS as a whole from bargaining as a first step; failing this we would seek legislative changes.
- 4) We consolidated the two CIPMS/OPM oversight relief initiatives (one was medium-term concerning performance appraisal systems and the second was long-term seeking total independence from OPM) into one initiative under the medium-term section (#4, p.5).
- 5) Based on INR's input, two new proposals were added to the Action Plan--#11, p.4 as a short-term and #6, p.6 as a medium-term initiative.

If any of these changes are particularly offensive, please let me know as soon as possible. Otherwise, we'll see you at the CPCC meeting on 28 June!

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NAPA ACTION PLAN

SHORT-TERM INITIATIVES (WITHIN ONE YEAR)

COMPENSATION AND BENEFITS

1. DOMESTIC LOCAL (GEOGRAPHICAL) PAY RATES

Community personnel that are transferred to a high-cost area by order of the government should be given additional compensation to meet a higher cost of living. CIA already has an "Addition to Compensation" to accommodate this problem. NSA has special pay rates for a few of its domestic locations based on Title 5 U.S.C., Section 5303; however, this authority is not sufficient to establish geographic rate schedules at other locations. High cost areas (e.g., New York) cannot be supported under 5 U.S.C. since there are no skill comparisons with the private sector to make wage and salary determinations. FBI would like geographic pay rates to include all employees in a given location (local hires) as well as those relocated by the government.

Legislative Impact: Requires authorizing legislation for agencies without authority.

2. DUAL COMPENSATION WAIVER

The Intelligence Community would benefit from the ability to hire selected military retirees with unique, critical skills at a compensation rate that will give these particular retirees the incentive to return to public service. This is especially critical to the military service components that need to retain specialized knowledge and skills attainable only through military service. This initiative would give the head of each intelligence agency the authority to issue a dual compensation waiver for a limited number of individuals designated for specific positions of critical importance to the agency. An annual reporting requirement to the Intelligence Oversight Committees could be built into this process.

Legislative Impact: Requires authorizing legislation.

3. EXAMINE INTELLIGENCE COMMUNITY OVERSEAS PAY POLICIES

This initiative would examine the pay policies of different agencies for like work being performed at overseas locations (without regard to the type of location or support agreements thereto). In particular, NSA would like to extend the 9.6 percent pay to additional types of overseas locations.

Legislative Impact: No new legislation required for NSA, but as a matter of policy, the Intelligence Oversight Committees would be kept informed.

4. NSA FLEXIBLE PAY AND BONUS SYSTEMS

This initiative would follow other successful flexible pay and bonus projects, such as the one implemented at China Lake and at the CIA, and allow NSA to develop flexible pay and bonus systems to allow it to compete with industry on a continuing basis. FBI would like to explore a limited pay banding project, and the CIA would like to explore expanding its pay banding policy to other occupations.

Legislative Impact: Requires authorizing legislation for agencies without authority and, as a matter of policy, the Intelligence Oversight Committees would be kept informed.

5. CIA FLEXIBLE BENEFITS PROGRAM

This initiative would provide CIA employees with a menu of alternative health benefits, life insurance options, etc., that would allow them to create a health benefits plan tailored to their specific needs. Intelligence Community agencies agreed that CIA should proceed with the development and implementation of this program and serve as a research project for other governmental agencies. This initiative was a NAPA recommendation.

Legislative Impact: Does not require new legislation but certain features of the CIA program would require notification to the Intelligence Oversight Committees.

6. PAY FLEXIBILITY: RELIEF FROM END-STRENGTH ACCOUNTABILITY

Congress has granted Army relief from end-strength accountability in its nonintelligence appropriations. This is not true for funds provided through the DCI. The ability to manage manpower based on funding limits rather than manpower controls is highly desired by DoD managers of intelligence functions to assist them in the day-to-day administration of their organizations. Funding ceilings would not be affected, although end-year manpower levels could deviate from planned targets.

Legislative Impact: Requires legislative changes.

RECRUITMENT AND RETENTION

7. FBI EXEMPTION FROM TITLE 5, U.S.C.

This initiative would exempt the FBI from the Title 5, U.S.C. position classification requirements of the General Schedule and the prevailing rate systems in order to allow greater flexibilities to select, appoint, and maintain a highly qualified work force.

Legislative Impact: Requires legislative exemption from Title 5, U.S.C. for the FBI.

TRAINING AND CAREER DEVELOPMENT

8. EXEMPTION FROM GETA RESTRICTIONS

This initiative would lift Government Employees Training Act restrictions and permit agencies to use external training resources more flexibly. This would allow Intelligence Community agencies to develop projected future skills and knowledge needs and establish undergraduate and graduate study programs for current employees and for high-caliber applicants as a recruitment incentive.

Legislative Impact: The first step would be to determine whether an Executive Order could provide the appropriate exemption. If it could not, new legislation would be required.

EQUAL EMPLOYMENT OPPORTUNITY ISSUES

9. EEO REPORTING FORMAT

This initiative would require Intelligence Community agencies to submit to the Intelligence Community Staff EEO reports in the MD 714 format; these EEO reports would then be passed to the House Permanent Select Committee on Intelligence (HPSCI) and Senate Select Committee on Intelligence (SSCI). Presently, the Intelligence Community Staff submits a statistical report to the SSCI and HPSCI indicating each equal employment opportunity group's representation in the respective agencies. These statistics are not always comparable, however. Use of the existing MD 714 format will save the work of creating separate, different plans and reports and will allow the information to be developed and interpreted in a more consistent manner.

Legislative Impact: None

RETIREMENT AND OUTPLACEMENT

10. CAREER TRANSITION

CIA proposes to extend its present 30-day retirement program to a 90-day program patterned after the State Department's career transition program. The purpose of this program is to encourage senior officers to continue their careers outside the Agency and stimulate the "flow" of career employees.

Legislative Impact: The Intelligence Oversight Committees would be kept informed.

11. TRANSFER FROM EXCEPTED APPOINTMENT STATUS TO COMPETITIVE CIVIL SERVICE

The DoD is in the process of negotiating an agreement with the Office of Personnel Management to allow CIPMS employees to transfer from an excepted appointment status to the competitive Civil Service. Other Intelligence Community agencies are interested in pursuing similar agreements with OPM if the DoD approach is successful. If separate, unilateral agreements with OPM are not feasible, the Community may consider other mechanisms--such as a DCI-OPM agreement--or seek legislation authorizing such action.

Legislative Impact: May require authorizing legislation if negotiations with OPM are not successful.

MEDIUM-TERM INITIATIVES (WITHIN FIVE YEARS)COMPENSATION AND BENEFITS

1. COMPARABLE AUTHORITIES

The NAPA Panel recommended that all intelligence agencies be given the authority, similar to that of CIA, to select, appoint, and compensate staff to attract and retain a high-quality work force. Through the Community Personnel Coordination Committee, the Intelligence Community's senior personnel group, parameters for developing a framework for these authorities must be developed. CIA authorities will be the benchmark against which the other Intelligence Community agencies will make their assessments.

Legislative Impact: Requires authorizing legislation.

2. GIVE DCI AUTHORITY TO ALIGN OVERSEAS ALLOWANCES AND BENEFITS FOR INTELLIGENCE COMMUNITY EMPLOYEES WITH FOREIGN SERVICE

Some Intelligence Community agencies already pay overseas allowances and benefits that are fairly consistent with that of the Foreign Service. However, many Intelligence Community employees are not receiving comparable benefits. This issue is of particular importance to NSA.

Legislative Impact: Requires authorizing legislation.

RECRUITMENT AND RETENTION

3. REDUCE CLEARANCE DELAYS FOR MILITARY DEPARTMENTS

This initiative would require that greater resources be given to the Defense Investigative Service for additional staffing to alleviate clearance delays.

Legislative Impact: Requires additional appropriations for DoD.

4. RELIEF FROM OPM REVIEW/OVERSIGHT OF CIPMS

The unique requirements and systems encompassed by the CIPMS require a comprehensive, consistent, and common authority base. Absent specific exempting language in Title 10 U.S.C., OPM policies and procedures will apply to CIPMS--particularly OPM's authority to review and approve performance appraisal systems. DoD seeks relief from OPM oversight on these largely administrative issues to prevent inconsistencies and confusion; the division in administrative authority and evaluation

authority between OPM and DoD is particularly a problem in the case of performance appraisal systems. Relief from OPM oversight is key to the coherent and timely implementation of the CIPMS.

Legislative Impact: Requires changes to Section 1590, Title 10.

EQUAL EMPLOYMENT OPPORTUNITY ISSUES

5. EEO RECRUITMENT AUTHORITIES

The "Stokes" Program of tuition assistance and work experience for college students is considered to be a useful mechanism for recruiting minority employees who are suitable to work at CIA and NSA. This initiative would extend authorities currently enjoyed by CIA and NSA to the other intelligence agencies to allow for similar recruitment activities.

Legislative Impact: Requires authorizing legislation for agencies without such authority.

RETIREMENT AND OUTPLACEMENT

6. APPROVAL FOR EARLY OPTIONAL RETIREMENT

Intelligence Community managers would benefit from the ability to approve early optional retirement for employees affected by staff overages (e.g., due to budgetary reductions or overstaffing in specific occupational skills). For those agencies without the ability to exercise the provision of early optional retirement, new legislation would be needed. There are also some indications that OPM could decentralize this authority.

Legislative Impact: If OPM does not decentralize the authority to approve early optional retirement, legislation for agencies without such authority would be required.

LONG-TERM INITIATIVES (FIVE+ YEARS)

COMPENSATION AND BENEFITS

1. PAY CAP AND PAY COMPRESSION

All agencies agreed that the pay cap should be eliminated and that pay compression should be reduced at the executive level. Given the studies and work by other groups concerning this issue, the Intelligence Community believes that specific strategies or actions should not be pursued at this time. However, this issue is of great importance and could have a great impact on Intelligence Community personnel policies.

Legislative Impact: Requires legislative changes.

2. AUTHORITY TO DEVELOP SEPARATE PAY SCALES

The OPM-administered General Schedule wage system has been judged to be at least 10 percent behind comparable private industry pay rates. DoD would thus like to have the authority to develop separate pay scales. The Military Departments would benefit greatly from any authorities granted to establish truly competitive pay structures. This authority could alternatively be granted to the DCI for the Community as a whole.

Legislative Impact: Requires new legislation.

3. PAY FLEXIBILITY: MANAGEMENT TO BUDGET

Enhanced pay flexibility gives managers the authority to reward top performers and distribute a given amount of pay within a group of workers. CIA would like to pursue a decentralized classification system that will eventually be tied directly to line management budget authority, giving managers the ability to manage their personnel and resources within specific budget constraints.

Legislative Impact: No new legislation required but, as a matter of policy, the Intelligence Oversight Committees would be kept informed.

NON-NAPA PERSONNEL INITIATIVESI. SHORT-TERM INITIATIVES (WITHIN ONE YEAR)1. CIA: SPOUSAL LEAVE TRANSFER PROGRAM

CIA proposes to extend its present spousal leave transfer program that allows one spouse (higher ranking) to transfer leave to the other spouse in order to care for newborn children. The Intelligence Oversight Committees did not object to the implementation of the program on a temporary basis because it was contemplated that government-wide legislation would be introduced. The Office of Personnel Management has not submitted such legislation as yet. Since CIA has had good results thus far, it would like to extend the program for another year, and include the care of newly adopted children as well.

Legislative Impact: No new legislation required but, as a matter of policy, the Intelligence Oversight Committees would be kept informed.

2. DOD: LABOR RELATIONS STATUTE (INTELLIGENCE ORGANIZATIONS EXCLUSIONS)

Section 7112, Title 5 U.S.C. and Executive Order 12171 exclude specific functions and organizations from bargaining unit coverage. Some, but not all, of the organizations in the Military Departments and some of the positions proposed for coverage in CIPMS have been specifically excluded from the labor relations program. DoD proposes that, in the interest of consistency and sound management, a new Executive Order be drafted to exclude all CIPMS positions from bargaining unit coverage.

Legislative Impact: Determine the feasibility of obtaining a new Executive Order that applies to CIPMS as a whole. If this is not possible, new legislation would be required to codify this exemption.

3. DOD: RELIEF FROM PROVIDING PERSONNEL DATA OUTSIDE DoD

Presently, CIA, NSA, and DIA all have statutory relief from providing personnel data to OPM. A similar exception would assist the Services in ensuring security by precluding the dispersion of employee data to the many federal and non-federal sources that access the OPM data base. This is a DoD initiative.

Legislative Impact: Requires legislative changes.

NON-NAPA PERSONNEL INITIATIVES

II. MEDIUM-TERM INITIATIVES (WITHIN FIVE YEARS)

1. DOD: STATUTORY EXTENSION OF TRIAL PERIOD FOR CIPMS EMPLOYEES

The Military Departments would like to lengthen the trial period for new employees from one to two years. A longer trial period is necessary to make a judgment on suitability, especially for employees that are in training for most of the first year or for those who start employment without a full security clearance or access and begin their job nine months to a year after they have come on duty.

Legislative Impact: Requires legislative changes.

2. DOD: AUTHORITY TO NEGOTIATE PERSONAL SERVICES CONTRACTS FOR EMPLOYMENT

This authority would facilitate the utilization of many skilled individuals who would otherwise not be available for federal employment. Retired civilian employees are an important group in this regard who often have irreplaceable skills, who do not desire a long-term or regular employment relationship, and who cannot be compensated as a regular government employee because of annuity restrictions. Overall, the number of employees that would be affected by this authority would be minimal.

Legislative Impact: Requires authorizing legislation for agencies without authority.